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Manual Updates Related to Calendar Year (CY) 2020 Home Health Payment Policy Changes, Maintenance Therapy, and Remote Patient Monitoring

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Related Change Request (CR) Number: 11577
Related CR Release Date: January 10, 2020
Effective Date: January 1, 2020
Related CR Transmittal Number: R265BP
Implementation Date: February 11, 2020

PROVIDER TYPES AFFECTED

This MLN Matters Article is for physicians, providers, and suppliers billing Medicare Administrative Contractors (MACs) for Home Health services provided to Medicare beneficiaries.

PROVIDER ACTION NEEDED

CR11577 updates Chapter 7 of the Medicare Benefit Policy Manual to reflect policy changes finalized in the Calendar Year (CY) 2019 and 2020 Home Health Prospective Payment System (HH PPS) Final Rules with comment period (83 FR 56406 and 84 FR 60478). Specifically, these manual updates reflect policies related to:

- The implementation of the Patient-Driven Groupings Model (PDGM)
- A change to a 30-day unit of payment
- Changes to split-percentage payments
- Changes to the provision of maintenance therapy
- The definition of remote patient monitoring.

The revised Chapter 7 of the Medicare Benefit Policy Manual is an attachment to the CR. Please make sure your billing staffs are aware of these changes.

BACKGROUND

Regulations at 42 Code of Federal Regulations (CFR) 484.205 set forth the basis of home health payment under the HH PPS. Currently, Home Health Agencies (HHAs) are paid a prospective payment for a 60-day episode of care, adjusted for case-mix and area wage differences. Based on Section 51001 of the Bipartisan Budget Act of 2018, the Centers for Medicare & Medicaid Services (CMS) finalized policy changes to the home health unit of

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payment and the case-mix adjustment methodology in the CY 2019 HH PPS final rule with comment period (83 FR 56406), effective for home health periods of care beginning on and after January 1, 2020.

Also, in the CY 2019 HH PPS final rule with comment period, CMS finalized a change in the unit of payment from 60-day episodes to 30-day periods for periods beginning on or after January 1, 2020. This 30-day payment amount is adjusted by a new case-mix adjustment methodology, the Patient-Driven Groupings Model (PDGM), also finalized in the CY 2019 HH PPS final rule. Payment under the PDGM is adjusted by patient characteristics and other information obtained from home health claims, other Medicare claims, and certain items from the Outcome and Assessment Information Item Set (OASIS). Specifically, home health 30-day payments will be adjusted by the principal and secondary diagnoses, timing of the period of care, admission source and level of functional impairment.

In the CY 2020 HH PPS final rule with comment period (84 FR 60578), CMS finalized a change to the split-percentage payment approach, reducing the up-front payment amount to 20 percent in CY 2020 for all 30-day periods of care for HHAs certified for participation in Medicare on or before December 31, 2018. HHAs will submit a Request for Anticipated Payment (RAP) at the beginning of each 30-day period and a final claim at the end of each 30-day period.

As finalized in the CY 2019 HH PPS final rule (83 FR 56406), newly enrolled HHAs (that is, HHAs certified for participation in Medicare on and after January 1, 2019) will not receive split-percentage payments for 30-day periods beginning on or after January 1, 2020. Newly enrolled HHAs will submit a “no-pay” RAP at the beginning of each 30-day period to establish the home health period of care and trigger consolidated billing edits in the Medicare claims processing system. Newly enrolled HHAs will receive a full 30-day period payment rate (minus any adjustments) after submission of a final claim at the end of each 30-day period.

The manual revisions related to these changes are in Section 10 of the revised Chapter 7 as included in CR11577.

In the CY 2020 HH PPS final rule with comment period (84 FR 60578), CMS finalized changes to the regulations at 42 CFR 409.44(c)(2)(iii)(C) regarding the provision of maintenance therapy services. Beginning in CY 2020, therapist assistants, and not just qualified therapists, can perform maintenance therapy under the Medicare home health benefit in accordance with individual state practice requirements.

The manual revisions related to these therapy services are in Section 40.2.1 of the revised Chapter 7.

Section 1895(e)(1)(A) of the Social Security Act (the Act) prohibits payments for services furnished via a telecommunications system if such services substitute for in-person home health services ordered as part of a plan of care. However, the statute does not define the term, “telecommunications system” as it relates to the provision of home health care. In CY 2019 HH PPS final rule with comment period (83 FR 56406), CMS defined “remote patient monitoring,” and finalized associated changes regarding allowed administrative costs on Medicare cost

reports. CMS defined remote patient monitoring under the Medicare home health benefit as, "the collection of physiologic data (for example, ECG, blood pressure, glucose monitoring) digitally stored and/or transmitted by the patient or caregiver or both to the home health agency." This definition is in Section 80.10 of the revised Chapter 7. Visits to a beneficiary's home for the sole purpose of supplying, connecting, and/or training the patient on the remote patient monitoring equipment, without the provision of another skilled service, are not separately billable. CMS also finalized to amend the regulations at 42 CFR 409.46 to include the costs of remote patient monitoring as an allowable administrative cost (that is, operating expense), if remote patient monitoring is used by the HHA to augment the care planning process. These remote monitoring changes are also in the revised Section 80.10.

Review the revised Chapter 7 attached to CR11577 for details on all the changes.

ADDITIONAL INFORMATION

The official instruction, CR11577, issued to your MAC regarding this change is available at https://www.cms.gov/files/document/r265BP.pdf.

If you have questions, your MACs may have more information. Find their website at http://go.cms.gov/MAC-website-list.

DOCUMENT HISTORY

Date of Change	Description
January 10, 2020	Initial article released.